

U.S. House and Senate Notification
Friday, June 25, 2010

To: Congressional Health Staff

From: Amy Hall
Director, Office of Legislation
Centers for Medicare & Medicaid Services

Subject: Release of ASP Third Quarter 2010 Data

The Centers for Medicare & Medicaid Services (CMS) has posted a file on its website that contains the payment amounts that will be used to pay for Part B covered drugs for the third quarter of 2010. Comparing the third quarter 2010 payment amounts with the previous quarter reveals that, for the most part, average drug prices in the market remain stable. On average, prices for the top part B drugs decreased by 0.7%. The exclusion of three drugs whose prices dropped 20% or more due to the introduction of generics results in a 1.1% increase for the top part B drugs.

For most of the higher volume drugs (31 out of the top 50), the prices changed 2 percent or less. Overall, the prices for 13 of the top 50 drugs decreased, while 2 remained the same. In general, among the top drugs with a decrease, there are a number of competitive market factors at work – multiple manufacturers, alternative therapies, new products, recent generic entrants, or market shifts to lower priced products.

CMS remains interested in ensuring continued beneficiary access to Part B covered drugs. We will continue to monitor trends in pricing, as reflected by the published ASP payment rates, as well as utilization within the Medicare community.

Where applicable, the payment amounts in the quarterly ASP files are 106 percent of the Average Sales Price (ASP) calculated from data submitted by drug manufacturers. The quarter to quarter price changes are generally the result of updated data from the manufacturers of these drugs.

The ASP payment amounts are available on the CMS website at:
http://www.cms.hhs.gov/McrPartBDrugAvgSalesPrice/01a19_2010aspfiles.asp#TopOfPage
Scroll down to the Downloads section for July 2010.

If there are questions about this announcement, please contact the CMS Office of Legislation. Thank you.